Internal Revenue Service
Office of Federal, State and Local Governments

www.irs.gov/govt

FSLG Newsletter – January 2008

This is the semiannual newsletter of the office of Federal, State and Local Governments (FSLG) of the Internal Revenue Service. Our mission is to ensure compliance by federal, state, and local governmental entities with federal employment and other tax laws through review as well as through educational programs.

For more information, visit our web site at www.irs.gov/govt. For account-related assistance, contact Customer Account Services at 1-877-829-5500. To identify a local FSLG Specialist, see the directory at the end of this newsletter.

The explanations and examples in this publication reflect the interpretation by the IRS of tax laws, regulations, and court decisions. The articles are intended for general guidance only, and are not intended to provide a specific legal determination with respect to a particular set of circumstances. You may contact the IRS for additional information. You may also want to consult a tax advisor to address your situation.

Internal Revenue Service

Federal, State and Local Governments

Sunita Lough, Director
Jayne Maxwell, Manager, Compliance and Program Management
Stewart Rouleau, Newsletter Editor

Contents

FSLG FY 2007 RESULTS AND FY 2008 WORKPLAN

BY SUNITA LOUGH, DIRECTOR, FSLG

Fiscal Year 2007

During FY 2007, Federal, State, and Local Governments (FSLG) successfully continued two major compliance initiatives begun in FY 2005: examination programs for federal agency compliance and for large entities (annual payroll in excess of $40 Million). In addition, FSLG conducted its first market segment project, addressing community college compliance.

With respect to federal agency compliance, FSLG commenced 20 cases and closed 15. With respect to large entity compliance, FSLG opened 37 cases and closed 30. Issues addressed included worker reclassification, fringe benefits, and information return reporting.

The 88 community college project examinations were substantially started and completed during this fiscal year. The goal is to determine trends and issues in this market segment. With the examination results, FSLG can focus outreach activities to enhance compliance.

FSLG completed 17 examinations of Health Reimbursement Arrangements (HRAs) that were obtained from the same vendor. These HRAs did not meet the requirements of the Internal Revenue Code.

Several examinations this fiscal year ended with closing agreements. Section 7121 of the Internal Revenue Code allows the IRS and a taxpayer to enter into final and conclusive agreements in respect of any internal revenue tax for any taxable period.

In addition to examinations, FSLG conducted 845 compliance checks. Compliance checks continue to play an important enforcement role for FSLG. A compliance check does not examine returns or assess tax, but assesses the level of taxpayer compliance. Typically, a compliance check includes 941,944, 945, W-2, and the 1099 series.

FSLG conducted two phone forums with the National Conference on State Social Security Administrators (NCSSSA) and one forum with the National Association of State Auditors, Comptrollers, and Treasurers (NASACT).

Three FSLG educational products were revised this year. The Taxable Fringe Benefits Guide, the Public Employer Tax Guide, and Publication 963 (Federal-State Reference Guide) are available at www.irs.gov.

Plans for FY 2008

A central theme in the FY 2008 Work Plan is our focus on improving enforcement activity. FSLG is committed to continuing the Federal Agency and Large Entity compliance initiatives that began in FY 2005. We anticipate opening 20 Federal Agency examinations and 29 Large Entity examinations.

FSLG will work in the initial stages during FY 2008 on a National Research Project to develop data identifying sources of the much publicized tax gap. Although exempt from income tax, government entities are subject to employment taxes. Government entities have unique compliance issues and have not been included in any previous National Research Projects.

FSLG has identified several additional providers of Health Reimbursement Arrangements (HRAs). The arrangements may not meet the requirements of the Internal Revenue Code. More examinations will be initiated in FY 2008. This is part of the IRS wide effort to identify and eliminate Abusive Tax Avoidance Transactions.

In FY 2008, FSLG will conduct its second market segment project. A number of housing authorities will be examined in order to determine trends and issues. As with our community college project, FSLG will use the results to plan outreach activities.

The Form 944 program will continue. Calendar 2006 was the first year the form was available.

FSLG is in the beginning stages of outreach, education, and enforcement in the U.S. Territories of Puerto Rico and Guam. Also, we plan to conduct additional phone forums with stakeholder groups.

FINAL REGULATIONS ISSUED FOR 403(b) PLANS

BY DENISE Y. BOWEN, FSLG TAX LAW SPECIALIST

On July 26, 2007, the IRS and the Department of the Treasury published Final Regulations for 403(b) tax sheltered annuity plans. The new regulations finalize rules proposed in November 2004, and provide the first comprehensive guidance issued for 403(b) plans since 1964. The new regulations make a number of landmark changes to 403(b) plans that increase the compliance responsibilities of governmental employers.

The general effective date for the new regulations is for taxable years beginning after December 31, 2008. There are some notable exceptions. There are two early effective dates in the 403(b) regulations (pertaining to life insurance contracts and transfers and contract exchanges) that may require immediate action by sponsors of governmental 403(b) plans. These early effective dates are noted in the discussion below. There are also a number of delayed effective dates, and the regulations should be reviewed in-depth to determine whether a delayed effective date applies.

The Final Regulations acknowledge existing IRS rulings and administrative practice. They also make some significant changes to 403(b) plans. The more important provisions of the Final Regulations relating to governmental 403(b) plans include the following:

New Changes to 403(B) Tax Sheltered Annuity Plans

Written Plan Requirement - Under the new 403(b) regulations, the 403(b) plan must be maintained pursuant to a written defined contribution plan that satisfies the 403(b) requirements in both form and operation, and contains all the terms and conditions for eligibility, limitations and benefits under the plan. This means that there must be a written plan, all of the terms and conditions must be included in the plan, and the plan must operate in accordance with its terms and conditions.

The Final Regulations permit the written plan requirements to be satisfied in a number of ways. The plan can be a single written document, or derived by stapling or paper-clipping the required documents together. To help organizations meet this written plan requirement, the IRS plans to release a revenue procedure in the near future that will contain model plan language. The revenue procedure is designed to assist a sponsor of a 403(b) plan to put together a very simple, basic 403(b) program, based upon the model plan language.

The written plan requirement may cause a non-ERISA 403(b) plan to become subject to ERISA; however, governments are not subject to ERISA. Non-governmental tax-exempt employers should contact the Department of Labor for guidance as to the issue of what subjects a 403(b) plan to ERISA.

Plan Termination - The new 403(b) regulations allow for the termination of plans and the distribution of assets with full rollover ability, without violating the withdrawal restrictions of IRC §403(b), provided that certain requirements are satisfied. The new regulations also recognize the occurrence of an employment severance where an employee no longer works for an employer eligible to maintain a 403(b).

Timing of Depositing Elective Deferrals - The new 403(b) regulations include a timing requirement for the remittance of contributions. Contribution amounts (in non-ERISA) must be transferred to providers within a period no longer than is reasonable for proper plan administration. For example, transferring elective deferrals within 15 business days following the month in which these amounts would have been paid to the participant is considered reasonable. Employers subject to ERISA must abide by the tighter ERISA time frame of forwarding amounts on to the vendor.

For 403(b) and 402(g) purposes, elective deferrals are limited to contributions under a cash or deferred election as defined under IRC §401(k).

Distributions – Currently, non-elective contributions to a 403(b) annuity are not subject to withdrawal restrictions under the IRC, although they may be subject to withdrawal restrictions under the plan. The final 403(b) regulations permit distribution of these contributions, but only after severance of employment, or upon the occurrence of an event such as after a fixed number of years, the attainment of a stated age under the plan or disability.

Life Insurance - Incidental life insurance may not be part of a 403(b) plan after September 24, 2007. The Final Regulations include an exception for contracts issued prior to September 24, 2007, if they satisfy the incidental benefit rule, which limits the total amount of a participant's plan assets that may be invested in life insurance. A 403(b) annuity may still offer an incidental death or disability benefit.

In Service Plan-to-Plan 403(b) Asset Transfers - Under the new 403(b) Final Regulations, in-service, plan-to-plan 403(b) asset transfers are limited to situations where the participant is an employee or former employee of the employer sponsoring the receiving plan. Contract exchanges will be permitted after September 24, 2007 only if:

1. The plan would have to permit the movement, the benefits can not be diminished, and the recipient contract includes distribution restrictions that are at least as or more stringent than the distribution restrictions in the transferring contract, and

2. The employer and the issuer must enter into an information-sharing agreement by January 1, 2009, stating that both will provide each other with information on an ongoing basis, including information about the participant's employment status, hardship withdrawals, and plan loans.

Existing IRS Rulings and Administrative Practice

The Final Regulations acknowledge the following existing IRS rulings and administrative practice.

Post-Severance Contributions to a 403(b) Plan - Post severance contributions of regular pay and accrued but unused vacation and sick pay can be made to a plan on behalf of a former participant in one of two ways:

1. Employee elective deferrals can be made by the later of 2 ½ months from the date of severance or the end of the year of severance. For example, a school teacher retires on June 30, 2007. That means that he has until December 3l, 2007, to make a contribution out of regular, vacation or sick pay, subject to the overall limit on the elective deferrals that can be made for the 2007 year. If the same teacher retires on November 30, 2007, he has 2 ½ months after November

30th, or until February 15, 2008 to make a deferral. In the 2008 year, the teacher will pick up an entirely new elective deferral limit.

2. Employer non-elective contributions can be made for 5 years after the date of severance. This feature allows the employer to contribute to the former employee's 403(b) account for up to five years after severance. For example, the same teacher described above retires on June 30, 2007. The employer has until December 31, 2007 (the six remaining months), and then five additional years to make contributions to the former employee's 403(b) plan up to the maximum overall limit.

The rule for the five year provision is that contributions must be made with employer non-elective contributions only. It may not be accomplished via a salary reduction agreement. If an employee gives up the right to receive accrued and unused sick benefits in cash, and elects to deposit the money in the 403(b) plan, the employee has in effect made an elective deferral. Also, because these are non-elective contributions, there is really no remainder of funds to be paid to a beneficiary.

Vesting Schedule - A 403(b) plan may provide for a vesting schedule if other requirements are met and if non-vested contributions are made to an annuity contract. Non-vested contributions to an annuity, and contributions to an annuity the otherwise fail the requirements of IRC §403(b), are treated as contributions to an annuity described in IRC §403(c).

Universal Availability - If an employer offers the opportunity to make salary deferrals to one employee, the offer must be made to all employees, with certain limited exceptions. For example, the employer can exclude employees who work less than 20 hours per week (a simplified rule applying a 1000 hour test is applied), employees who contribute less than $200 per year to the 403(b) plan, and employees eligible to defer to another qualifying plan of the same employer.

"Meaningful notice" is needed to satisfy the universal availability requirement for salary reduction contributions. The employer must provide a meaningful notice to all eligible employees at least once per year, advising them of the availability of the 403(b) plan, and instructions for making a salary reduction election to begin making salary deferrals to the plan.

Employees covered by a collective bargaining agreement can no longer be excluded from making salary deferrals under the 403(B) plan. This rule is effective as of the earlier of the date of the termination of the collective bargaining agreement in effect on July 26, 2007, or July 26, 2010.

Hardship Distributions - Hardship distributions are now subject to the 401(k) hardship distribution rules. Hardship withdrawals may only be made upon a determination of a financial hardship, and salary deferrals must be suspended for the six-month period following the hardship withdrawal. Participants may not self-certify that these requirements are met. There must be a coordination procedure in place between the employer, the fund vendor and other third parties to ensure that the hardship withdrawal rules are met.

Age 50 Catch-up Contributions - A 403(b) program can provide for a catch-up contribution for a participant who is age 50 or older (up to $5,000 in 2007), and an additional special catch-up contribution for a participant who has at least 15 years of service. The Final Regulations clarify how catch-up contributions must be applied. They restate that participants must exhaust all contribution limits, including the increased contribution limit under IRC §402(g)(7). This increased limit allows some participants with 15+ years of service with a qualifying employer to contribute up to an additional $3,000 per year up to a maximum of $15,000 during the course of their employment. This increased limit must be exhausted before a participant can benefit from the 50 or older age-based catch-up provision.

For example, IRC §402(g)(1) provides for a basic contribution limit of $15,500 for 2008. An employee has worked for a qualifying employer for 15 or more years. IRC §402(g)(7) allows catch-up contributions of up to $3,000 for up to 5 years (the complete formula for determining this amount is contained in the regulations and Publication 571). If the employee is age 50 or older, he/she can benefit from the catch up contribution in IRC §414(v).

Conclusion

The listing above summarizes some of the significant provisions in the final 403(b) regulations that plan sponsors need to address in order to meet their compliance responsibilities. While the effective date for the Final Regulations is generally January 1, 2009, employers are permitted to follow the new rules immediately. At the very least, employers should begin implementing changes as soon as possible to ensure compliance with the early and general effective dates set forth in the Final Regulations.

ELECTION WORKERS: REPORTING AND WITHHOLDING

BY WANDA VALENTINE, FSLG ANALYST

Who are Election Workers?

Election workers are individuals hired by government entities to perform services at polling places in connection with national, state and local elections. These workers may be employed by the government entity exclusively for election work, or in other capacities as well. Election worker compensation is includible in income and may be treated as wages for social security and Medicare (FICA) tax purposes.

Employment Taxes

Compensation paid to election workers is not subject to income tax withholding under Section 3401(a) of the Internal Revenue Code (IRC).

The IRC provides specific rules for determining whether amounts paid to election workers are subject to social security and Medicare (FICA) taxes. If the employer has a Section 218 Agreement with the Social Security Administration that covers services performed by an election worker, the terms of the Section 218 agreement will determine whether the payments are subject to FICA.

If there is no section 218 coverage, then the rules provided by the IRC apply. For calendar year 2008, FICA taxes apply to a worker whose remuneration is $1,400 or greater. When payments made to a worker meets the current $1,400 threshold, all payments paid to the worker are subject to FICA, including the first $1,399. The threshold dollar amount is indexed annually and adjusted for inflation.

Reporting Requirements

Information reporting requirements are defined in Section 6041(a) and 6051(a) of the Internal Revenue Code. Specifically, Regulation section 1.6041-1(a)(2)(ii) provides that compensation paid to an employee must be reported on Form W-2. A Form W-2 must be filed for election workers who receive payments of $600 or more, even if no FICA and income tax was withhold. A Form W-2 must also be filed for election workers who receive payments less than $600 that are subject to FICA taxes under a section 218 agreement. IRS regulations provide that an employer may choose to use separate Forms W-2 to report employee compensation derived from separate components. Therefore, amounts paid to an individual who provides both election worker services and non-election worker services can be reported on separate W-2 forms. Form 1099-MISC should not be used to report election worker payments.

The following examples illustrate typical election worker situations.

Situation #1

Government entity A pays worker Y $1,401 in 2008 for election worker services. Worker Y does not provide any other service to government entity A and election workers are excluded from the entity's section 218 agreement. However, because the payment made to worker Y is greater than $1,400, FICA withholding is applicable and the payment must be reported on Form W-2. No income tax withholding is applicable.

Situation #2

Government entity A pays worker Y $650 in 2008 for election worker services. Worker Y does not provide any other service to government entity A and election workers are excluded from the entity's section 218 agreement. Since the payment is greater than $600, the amount must be reported on Form W-2.

However, since the payment made to worker Y is less than $1,400, FICA withholding is NOT applicable. No income tax withholding is applicable.

Situation # 3

Government entity A pays worker Y $100 in 2008 for election worker services and also employs Y in another capacity in which Y earns $1,000 (subject to income tax withholding). The election worker services of Y are excluded from the Section 218 agreement, but the non-election services are covered.

The $1,000 payment is subject to income tax and FICA withholding, but the $100 payment is not. Government entity A must report all payments on Form W-2, and may use separate Forms W-2.

Conclusion

Remember, compensation paid for election worker services is included in income, and may be subject to FICA taxes and reporting requirements.

For additional guidance on election worker treatment, refer to the Instructions for Forms W-2 and W-3, Publication 963, Publication 15 (Circular E) and Revenue Ruling 2000-6.

EMPLOYEE HEALTH BENEFIT PLANS

BY STEWART ROULEAU, FSLG SENIOR ANALYST

For governments facing constantly escalating health benefit costs, the challenge of providing adequate coverage for employees continues to be an area of great attention. The tax-favored treatment available for health and medical benefits is a critical element in determining the level of benefits that can be made available. With this increased attention, FSLG has seen more questionable health benefit systems appear. In recent years, the IRS has issued several rulings and notices addressing allowable and prohibited features of such plans. Government employers should be familiar with the basic principles in order to make the best decisions for coverage and avoid employment tax problems.

Employer health benefit reimbursement plans fall into two basic categories:

- Flexible Spending Arrangements (FSAs)
- Health Reimbursement Arrangements (HRAs)

FSAs

A Health Flexible Spending Arrangement (FSA), which is part of a cafeteria plan, is a medical reimbursement plan under which an employee may be reimbursed for medical expenses (e.g., co-payments, deductibles, vision and expenses, dental expenses, over-the-counter medications, but not insurance premiums) incurred by the employee, spouse and dependents. To participate in an FSA, an employee must make an election under the cafeteria plan to have salary reduced on a pre-tax basis to pay for the benefit. These salary reduction contributions are treated as “employer contributions” for tax purposes. There is no statutory maximum on the amount that can be contributed to a health FSA, but most employers place a cap on contributions to limit their liability. The amounts contributed to the FSA are not subject to income, social security or Medicare tax withholding.

A health FSA must provide "uniform coverage" throughout the coverage period (typically 12 months). This means that the maximum amount of reimbursement elected must be available to the participants at all times. Generally, the maximum amount of reimbursement available to a participant is equal to the participant’s contributions for that period of coverage. FSAs are also subject to a use-or-lose rule. Under this rule, amounts unused by the participant at the end of the plan year (or grace period if adopted by the employer) are forfeited.

In order to be reimbursed for medical expenses from the FSA, the participant must substantiate all claims for reimbursement. Expenses can be substantiated by requiring the participant to provide both a written statement that the expense has not been reimbursed (or is not reimbursable) under any other health plan coverage and verifies the date and the amount incurred for the expense. Or the expense can be automatically substantiated if the participant uses certain electronic means to pay for the medical expense (i.e., a debit card). Reimbursements may only be made for claims incurred during the period of coverage. Expenses are treated as having been incurred when the participant is provided with the medical care that causes the expense, not when the participant is billed or pays for the care.

Reimbursements under a health FSA must be paid to reimburse the participant for medical expenses not covered by health insurance. A reimbursement is not paid to the participant for medical expenses if the participant is entitled to these amounts in the form of cash or a taxable benefit, without regard to whether the participant incurs medical expenses during the period of coverage. This includes any “loans,” “advance reimbursements,” or other payment to the employee, purportedly to pay employee health or medical costs, and would result in all payments being treated as taxable wages.

An employee who itemizes deductions on his or her income tax return may deduct out-of-pocket medical expenses, if these amounts are not covered or reimbursed under an FSA or from other sources.

HRAs

An HRA is an employer-funded self-insured arrangement that reimburses employees for qualified medical expenses incurred by employees, their spouses and dependents. Under an HRA, an employer establishes a plan to pay for health insurance premiums, pay for qualified medical expenses as a self-insured provider, or reimburse the employee for the allowable medical care expenses of the employees and their spouses and dependents. Only employees and retirees can participate in an HRA, not self-employed individuals (i.e., sole proprietors, partners, 2% shareholders in S corporation, independent contractors).

Unlike an FSA, an HRA is not required to be in writing. It is sufficient that the employees have reasonable opportunity to become aware of its provisions at the time they are eligible for benefits. Additionally, the plan cannot discriminate in favor of certain groups of employees.

The key prohibition for an HRA is that there can be no employee election, either of the benefits to receive or to receive cash or another benefit instead of health benefits. No amounts elected by an employee under a salary reduction arrangement can fund the HRA. Thus, employees may not contribute to an HRA with pre-tax salary reduction amounts. Because there is no statutory annual contribution limit for an HRA, the employer decides on the amount of its contribution. There is also no income tax withholding, social security or Medicare tax on the amounts an employer contributes to an HRA, and they are not reported on the employee’s Form W-2.

In contrast to FSAs, HRAs are not subject to a use-or-lose rule or uniform coverage rule. This means that unused amounts may be carried over from year to year and only the balance in the account is available to employee for reimbursements. However, an employer may limit the amount that can be carried over to limit future liability. As with FSAs, every claim for reimbursement must be substantiated before paid to an employee. Although generally, expenses are incurred when services received and not when billed or paid, an HRA can reimburse past medical expenses if an employee was a participant in the HRA at the time the expense was incurred.

Because HRAs are not portable, an employer may choose whether an employee can forfeit or spend down any unused amounts at the time of termination of employment. However, an employer may not provide an employee with a “bonus” or severance pay equal to the HRA account balance at termination. An employer may allow retirees to spend down their HRA balances for medical expenses after retirement or alternatively, an employer can provide HRA coverage only for retirees by funding only the accounts of former employees after retirement. An employer can also provide HRA coverage only for retirees by funding the accounts of active employees but limiting the availability of benefits only after retirement.

IRS Guidance

This article provides the general rules for health care plans. For more detailed information, see the links below to several recent related IRS rulings dealing with health plans.

Rev. Rul. 2002-3: Treatment of reimbursements under a salary reduction plan.
Rev. Rul. 2002-41: Only employer-paid plan can offer carryforward of benefits.
Notice 2002-45: Distinguishes tax treatment of HRA and salary reduction.

Rev. Rul. 2002-80: No exclusion allowed for advances under a salary reduction plan.
Rev. Rul. 2005-24: Examines four situations involving unused HRA reimbursements.
Rev. Rul. 2006-36: Plan may provide benefits only to spouse or dependents of employee.

REPORTING GROUP-TERM LIFE INSURANCE BENEFITS

BY STEWART ROULEAU, FSLG SENIOR ANALYST

The Internal Revenue Code (IRC) provides special benefits for group-term life insurance on the life of an employee provided under a policy carried directly or indirectly by an employer. In general, qualifying insurance coverage up to $50,000 for current and former employees is excludable from income tax, social security and Medicare. However, there are unique reporting and withholding requirements that government employers need to be aware of when providing this benefit.

Employer-provided group-term life insurance must meet certain requirements to qualify for the exclusion. The death benefit provided by the insurance must be excludable from the beneficiary's income under section 101(a) of the IRC. The policy must provide for a general death benefit only, and generally not be limited to specific circumstances (such as travel insurance). Generally, the policy must cover at least 10 employees, and the amount of insurance provided to each employee must be computed under a formula based on factors such as age, years of service, compensation, or position. For more information on the requirements and restrictions on a qualifying insurance system, see Publication 15-B, Employer's Tax Guide to Fringe Benefits and the spring 2003 issue of the FSLG Newsletter, "Group-Term Life Insurance."

The cost of the first $50,000 of insurance on the life of each employee is fully excludable and does not require any reporting or withholding. The cost of insurance in excess of $50,000 of coverage, reduced by the amount (if any) paid by the employee for the insurance with after-tax dollars, is includible in income and subject to social security and Medicare tax withholding. The cost of the insurance coverage in excess of $50,000 is calculated using the table in Publication 15-B or Regulation 1.79-3.
Note: The above rules apply even if the employer pays none of the cost of the insurance, but only if the employer arranges for payment of the insurance by the employees and charges at least one employee less that the cost of that employee's insurance, as determined under the table in Publication 15-B or Regulation 1.79-3, and at least one other employee more than the cost of that employee's insurance as determined under the table.

Reporting for Current Employees

For current employees, the cost of the amount in excess of $50,000 of coverage should be reported, in addition to other wages and withholding, on Form W-2 as follows:

Box 1, 3, and 5 – include the cost of the excess insurance for the employee, using the cost table in Publication 15-B or Regulation 1.79-3.

Box 2 – no amount included for this benefit; it is not subject to income tax withholding.

Box 4 – include social security tax (6.2% of the deemed cost of the insurance, up to the wage base limitation).

Box 6 – include Medicare tax (1.45% of the deemed cost of the insurance).

Box 12 - Code **C** should be entered.

Reporting for Retired or Former Employees

For group-term life insurance benefits in excess of $50,000 provided to a former employee. In this case, the former employee is responsible for paying the employee share of social security and Medicare tax with their individual tax returns. The employer is not required to withhold or collect the tax on the employee share. The employer should report as follows:

Box 1, 3, and 5 – Report the cost of the group-term life insurance exceeding $50,000, as above.

Box 2, 4 and 6 – No withholding is required, and none should be included for the group-term life insurance benefit.

Box 12 – The employer should enter Code **M** (for the social security tax and Code **N** (for the Medicare tax) in Box 12 of Form W-2. The employer is not required to include these amounts in Boxes 1, 3, or 5.

For more information, see Publication 15-B and the Instructions for Forms W-2 and W-3.

FSLG Directory

Governmental entities can contact the FSLG Specialists below for help with Federal tax questions.

State	Specialist	Telephone Number	Ext.
Alabama	John Givens	(251) 341-5993	
Alaska	Gary Petersen	(775) 325-9282	
Arkansas	Jan Germany	(501) 396-5816	
Arizona	Kim Savage	(928) 214-3309	5
California	Charis Martinez	(916) 974-5349	
	Jay Gonzales	(619) 557-7002	110
	Leslie VanBuren	(408) 817-6556	
Colorado	Steven McDonald	(303) 446-1242	
	Chuck Sandoval	(303) 446-1156	
Connecticut	Mary Rogers	(401) 826-4754	
Delaware	Hilton Finney	(215) 861-3732	
District of Columbia	Christina Chang	(703) 462-5971	
Florida	Sheree Cunningham	(727) 568-2505	
	Fernando Echevarria	(954) 423-7406	
	Mae Whitlow	(321) 441-2517	
Georgia	Cliff Brown	(803) 253-3523	
Hawaii	Marilee Basaraba	(503) 326-5030	
Idaho	Chris Casteel	(208) 387-2829	233
Illinois	Ted Knapp	(618) 242-7730	
	Joyce Reinsma	(312) 566-3879	
Indiana	Beverly Elsner	(812) 378-1254	
	Raelane Hoff	(812) 234-6815	227
Iowa	David Prebeck	(515) 573-4120	
Kansas	Gary Decker	(316) 352-7475	
	Allison Jones	(316) 352-7443	
Kentucky	Talaka Whitlock	(502) 420-1586	
Louisiana	Claire Bullock	(318) 683-6311	
	Lynette Thibodaux	(504) 558-3144	

State	Specialist	Telephone Number	Ext.
Maine	Bob Westhoven	(207) 784-6988	
Maryland	Christina Chang	(703) 462-5971	
Massachusetts	Mark A. Costa	(617) 320-6807	
Michigan	Brian Blake	(231) 932-2063	
	Lori Hill	(906) 228-7831	
Minnesota	Steve Bruzda	(651) 312-7722	
	Pat Wesley	(218) 720-5305	225
Mississippi	John Givens	(251) 341-5993	
Missouri	Sharon Boone	(417) 841-4535	
	Joe Burke	(636) 255-1278	
	Dena Jones	(816) 966-2346	
Montana	Dwayne Jacobs	(307) 672-7425	33
Nebraska	Thomas Goman	(402) 361-0202	
Nevada	Gary Petersen	(775) 325-9282	
New Hampshire	Bob Westhoven	(207) 784-6988	
New Jersey	Pat Regetz	(908) 301-2119	
New Mexico	Toni Holcomb	(505) 527-6900	232
	George Vega	(505) 837-5554	
New York	Jean Redman	(607) 734-1063	108
	Dave Coulon	(315) 233-7305	
	Dianne Morse	(716) 686-4863	
	Fran Reina	(315) 793-2932	
	Granville Shannon	(212) 719-6537	
North Carolina	Jammie Owens	(336) 378-2961	
	Catherine Wides	(919) 402-0918	
North Dakota	Rhonda Kingsley	(701) 239-5400	261
	Al Klaman	(701) 227-0133	
Ohio	Trudee Billo	(419) 522-2359	
	Amy Myers	(419) 522-2259	
	Wendy Speelman	(419) 526-2607	

State	Specialist	Telephone Number	Ext.
Oklahoma	Pat O'Neil	(405) 297-4895	
Oregon	Marilee Basaraba	(503) 326-5030	
Pennsylvania	Hilton Finney	(215) 861-3732	
	Jean Redman	(607) 734-1063	108
Rhode Island	Mary Rogers	(401) 826-4754	
South Carolina	Clifford Brown	(803) 253-3523	
South Dakota	Rhonda Kingsley	(701) 239-5400	261
	Al Klaman	(701) 227-0133	
Tennessee	Talaka Whitlock	(502) 420-1586	
Texas	Robert Jackson	(281) 721-7993	
	JoAnn Lacey	(512) 464-3609	
	Steve O'Brien	(512) 464-3129	
	Donna Richard	(512) 499-5033	
Utah	Gary Petersen	(775) 325-9282	
Vermont	Fran Reina	(315) 793-2932	
Virginia	Christina Chang	(703) 462-5971	
	Lisa Suardi	(804) 916-8207	
Washington	Clark Fletcher	(425) 489-4042	
West Virginia	Christina Chang	(703) 462-5971	
	Lisa Suardi	(804) 916-8207	
Wisconsin	David Rasmussen	(262) 513-3424	
	Ruthann Watts	(262) 513-3520	
Wyoming	Dwayne Jacobs	(307) 672-7425	33

UPCOMING EDUCATIONAL PAYROLL EVENTS

FSLG occasionally provides information about events, sponsored by other organizations, that may be of interest to government employers. The American Payroll Association (APA) is hosting two major payroll events in the coming months:

APA Congress (May 13-17, 2008, Austin TX) – Features more than 100 workshops covering a wide spectrum of payroll, human resources, benefits, accounts payable, technology, management, and career development topics. Also features the largest payroll technology and services exhibit hall of the year. Open to all.

Capital Summit – (March 26-27, 2008, Washington DC) – Leading officials from federal agencies will discuss the latest initiatives that impact the payroll process. Open to all.

For registration details, call (210) 224-6406 or visit www.americanpayroll.org. For further information, call Erika Hurst at (210) 226-4600, ext. 2230, or e-mail ehurst@americanpayroll.org.